

E-FILING AND TAX REFUNDS CONTINUE UPWARD TRENDS

WASHINGTON -- The latest tax season statistics from the Internal Revenue Service show a continuation of upward trends in electronic returns and average refund amounts. The 16.2 million electronic returns represent a 12 percent increase over this time last year. The average refund -- \$1784 -- is 15 percent higher.

More than 843,000 taxpayers have e-filed returns from their own computers, an increase of nearly 153 percent. These taxpayers either purchased tax preparation software or filed through companies offering online tax services.

"With just one-fourth of this year's returns filed, we're more than half way to our projected total of 29.6 million e-file returns," said Bob Barr, IRS Assistant Commissioner for Electronic Tax Administration. "We hope that those who have yet to do their returns consider the ease and benefits of e-filing."

The IRS Web site -- www.irs.ustreas.gov -- has a special Electronic Services page, with details about filing and paying electronically as well as links to private sector partners offering e-filing services.

The child tax credit may be a strong contributor to the increase in the average refund. Around 25 percent of the returns filed so far have claimed this new credit, which is worth up to \$400 for each dependent under the age of 17.

The child tax credit begins to phase out for taxpayers with income over \$75,000 (\$110,000 on a joint return). The tax instruction booklets explain how to figure the credit. While this credit normally cannot exceed the tax liability, there are exceptions for some taxpayers who have at least three qualifying children. These taxpayers will use Form 8812, "Additional Child Tax Credit," to get the full benefit of this credit.

IRS Publication 553, "Highlights of 1998 Tax Changes," explains this and other new provisions. It is available through the IRS Web site or by calling (toll-free) 1-800-TAX-FORM (1-800-629-3676).

As of Feb. 19, the IRS had processed more than \$35 billion in refunds, compared to \$29 billion at this time last year. Nearly three out of five taxpayers receiving refunds so far have had them deposited directly to their bank accounts.

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1999 FILING SEASON STATISTICS

Cumulative through the week ending 2/20/98 and 2/19/99

	<u>1998</u>	<u>1999</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	31,582,000	31,545,000	- 0.1
Total Processed	20,530,000	21,318,000	3.8
E-filing Receipts:			
TOTAL	14,489,000	16,217,000	11.9
TeleFile (phone)	3,750,000	3,512,000	- 6.4
Computer	10,739,000	12,705,000	18.3
Tax Professionals	10,405,000	11,862,000	14.0
Self-prepared	334,000	843,000	152.8
Refunds Certified by the Martinsburg Computing Center:			
Number	18,933,000	19,644,000	3.8
Amount of principal	\$29.388 billion	\$35.052 billion	19.3
Average refund	\$1552	\$1784	15.0
Direct Deposit Refunds:			
Number	9,709,000	11,588,000	19.4
Amount	\$19.276 billion	\$25.580 billion	32.7